



SONATA SOFTWARE LIMITED

Dear Shareholders,

Trust you and your loved ones are safe and keeping well.

We are pleased to share with you the report for Q4'26.

Commenting on the results Mr. Rajsekhar Datta Roy, CEO-designate of Sonata Software said: "We won 2 large deals in Q4'26 and remain confident on Sonata's growth momentum, by becoming the strategic partners to our clients to enable the AI modernization journey. We will continue to invest in AI capabilities and partnerships, to further accelerate our pivot to AI."

Speaking on the results Mr. Sujit Mohanty, MD & CEO of Sonata Information Technology Limited, said: "This quarter, we achieved strong performance in our core cloud platform offerings. We successfully acquired new clients for our cloud services and data protection solutions business areas. We realized YoY growth from key accounts."

With Best Wishes,

P Srikar Reddy

Executive Vice Chairman & Whole-Time Director
DIN- 00001401

Jagannathan C N

Chief Financial Officer



Quarterly and Annual Report to Shareholders.

Performance Highlights for FY'26 & Q4'26:

- **International IT Services:**

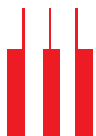
- Revenue for FY'26 stood at ₹2,948.0 crores, growth of 4.2% YoY, Q4'26 stood at ₹779.2 crores, growth of 5.5% QoQ.
- In USD terms, revenue for FY'26 stood at \$328.4 million.
- In USD terms, revenue for Q4'26 stood at \$82.4, flattish QoQ and growth of 1.3% YoY. In CC terms growth of 0.6% QoQ and 1.1% YoY.
- EBITDA (before other income, forex and exceptional items) for FY'26 stood at ₹543.7 crores, growth of 13.1% YoY, Q4'26 stood at ₹157.4 crores, growth of 9.3% QoQ.
- PAT for FY'26 stood at ₹292.7 crores, growth of 18.7% YoY, Q4'26 stood at ₹84.2 crores, growth of 40.6% QoQ.
- DSO stood at 64 days in Q4'26, compared to 71 days in Q3'26.
- ROCE stood at 24.5% in Q4'26, compared to 18.7% in Q3'26.
- RONW stood at 30.3% in Q4'26, compared to 23.1% in Q3'26.
- 7 new customers were added during the quarter.

- **Domestic Products & Services:**

- Revenue for FY'26 stood at ₹7772.1 crores, growth of 5.9% YoY, Q4'26 stood at ₹1759.2 crores.
- Gross contribution for FY'26 stood at ₹288.7 crores, degrowth of 3.5% YoY. For Q4'26, gross contribution stood at ₹75.3 crores, degrowth of 1.1% QoQ.
- EBITDA (before other income, forex and exceptional items) for FY'26 stood at ₹197.9 crores, degrowth of 5.2% YoY, Q4'26 stood at ₹51.2 crores, degrowth of 8.8% QoQ.
- PAT for FY'26 stood at ₹171.7 crores, degrowth of 3.6% YoY, Q4'26 stood at ₹46.3 crores, growth of 3.9% QoQ.
- DSO stood at 47 days in Q4'26, compared to 42 days in Q3'26.
- ROCE stood at 43.5% in Q4'26, compared to 43.1% in Q3'26.
- RONW stood at 39.0% in Q4'26, compared to 41.8% in Q3'26.

- **Consolidated:**

- Revenue for FY'26 stood at ₹10701.2 crores, growth of 5.4% YoY, Q4'26 stood at ₹2536.2 crores.
- EBITDA (before other income, forex and exceptional items) for FY'26 stood at ₹741.3 crores, growth of 7.5% YoY, Q4'26 stood at ₹208.7 crores, growth of 4.2% QoQ.
- PAT for FY'26 stood at ₹464.4 crores, growth of 9.3% YoY, Q4'26 stood at ₹130.5 crores, growth of 25.0% QoQ.
- Cash and cash equivalents (gross) stood at ₹ 605.5 Crores.
- Cash and cash equivalents (net) stood at ₹ 30.7 Crores.
- ROCE stood at 28.1% in Q4'26, compared to 23.3% in Q3'26.
- RONW stood at 32.5% in Q4'26, compared to 27.7% in Q3'26.



Key Financial Metrics & Ratios

International IT Services

(₹ Crore)	Q4 FY2026	Q3 FY2026	Q4 FY2025	Q-o-Q	Y-o-Y
Revenue	779.2	738.6	702.3	5.5%	10.9%
EBITDA*	157.4	144.0	115.7	9.3%	36.1%
Net Profit	84.2	59.8	62.3	40.6%	35.0%

Key Ratios	Q4 FY2026	Q3 FY2026	Q4 FY2025
Effective Tax Rate (%)	22.0%	26.0%	30.9%
Net Profit Margin (%)	10.8%	8.1%	8.8%
DSO (Days)	64	71	61

Domestic- Products & Services

(₹ Crore)	Q4 FY2026	Q3 FY2026	Q4 FY2025	Q-o-Q	Y-o-Y
Revenue	1759.2	2345.9	1918.2	-25.0%	-8.3%
EBITDA	51.2	56.2	56.5	-8.8%	-9.3%
Net Profit	46.3	44.6	45.2	3.9%	2.5%

Key Ratios	Q4 FY2026	Q3 FY2026	Q4 FY2025
Effective Tax Rate (%)	26.1%	25.8%	25.4%
Net Profit Margin (%)	2.6%	1.9%	2.3%
DSO (Days)	47	42	46

Consolidated

(₹ Crore)	Q4 FY2026	Q3 FY2026	Q4 FY2025	Q-o-Q	Y-o-Y
Revenue	2536.2	3080.6	2617.2	-17.7%	-3.1%
EBITDA	208.7	200.2	172.7	4.2%	20.8%
Net Profit	130.5	104.4	107.5	25.0%	21.4%
Diluted EPS* (Rs.)	4.7	3.8	3.9	-	-

*EBITDA (Before Other income)

Note:

*EPS is not annualized



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Part I		₹ in lakhs, except per share data				
Statement of audited consolidated financial results for the quarter and year ended March 31, 2026						
Sl No.	Particulars	Quarter ended			Year ended	
		March 31, 2026 (Refer Note 5)	December 31, 2025 (Unaudited)	March 31, 2025 (Refer Note 5)	March 31, 2026 (Audited)	March 31, 2025 (Audited)
1	Revenue from operations	253,619	308,058	261,720	1,070,124	1,015,725
2	Other income	3,757	1,140	1,121	10,454	7,115
3	Total income (1 + 2)	257,376	309,198	262,841	1,080,578	1,022,840
4	Expenses					
	(a) Purchase of stock-in-trade (traded goods)	181,165	243,130	188,958	782,020	703,106
	(b) Changes in inventories of stock-in-trade	3,140	(3,074)	(2,636)	1,043	5,076
	(c) Employee benefits expense	31,825	37,121	41,937	153,000	159,767
	(d) Finance costs	1,914	1,259	1,009	5,142	6,525
	(e) Depreciation and amortization expense	2,538	2,654	2,303	10,426	12,149
	(f) Other expenses	16,620	10,861	16,195	59,936	78,851
	Total expenses	237,202	291,991	247,766	1,011,567	965,474
5	Profit before exceptional item and tax (3 - 4)	20,174	17,207	15,075	69,011	57,366
6	Exceptional item					
	Impairment loss recognised on receivables (Refer Note 7)	9,695	-	-	9,695	-
	Reversal of contingent consideration payable (Refer Note 8)	(6,538)	-	-	(6,538)	-
	Impact of new labour codes (Refer Note 9)	-	3,128	-	3,128	-
7	Profit before tax (5 - 6)	17,017	14,079	15,075	62,726	57,366
8	Tax expense					
	(1) Current tax	4,677	5,066	3,727	18,616	17,285
	(2) Deferred tax	(710)	(1,423)	595	(2,529)	(2,386)
	Total tax expense	3,967	3,643	4,322	16,287	14,899
9	Profit for the period (7 - 8)	13,050	10,436	10,753	46,439	42,467
10	Other comprehensive income					
	(1) Items that will not be reclassified to profit/(loss)					
	(a) Remeasurement of the defined benefit plans	(402)	(92)	(174)	(502)	(56)
	(b) Equity instruments through other comprehensive income	(72)	-	(649)	(72)	(938)
	(c) Income tax relating to items that will not be reclassified to profit/(loss)	101	23	44	126	14
	(2) Items that will be reclassified to profit or (loss)					
	(a) Exchange differences in translating the financial statements of foreign operations	2,136	552	77	3,819	488
	(b) The effective portion of gains/ (losses) on hedging instruments in a cash flow hedge	(3,887)	(191)	527	(4,613)	(389)
	(c) Income tax relating to items that will be reclassified to profit/(loss)	441	(91)	(152)	200	(25)
	Total	(1,683)	201	(327)	(1,042)	(906)
11	Total comprehensive income for the period (9 + 10)	11,367	10,637	10,426	45,397	41,561
	Of the total comprehensive income above, profit for the period attributable to:					
	Owners of the Company	13,050	10,436	10,753	46,439	42,467
	Non - controlling interest	-	-	-	-	-
		13,050	10,436	10,753	46,439	42,467
	Of the total comprehensive income above, other comprehensive income for the period attributable to:					
	Owners of the Company	(1,683)	201	(327)	(1,042)	(906)
	Non - controlling interest	-	-	-	-	-
		(1,683)	201	(327)	(1,042)	(906)
	Of the total comprehensive income above, total comprehensive income attributable to:					
	Owners of the Company	11,367	10,637	10,426	45,397	41,561
	Non - controlling interest	-	-	-	-	-
		11,367	10,637	10,426	45,397	41,561
12	Paid-up equity share capital (Face Value ₹ 1/-)	2,768	2,773	2,776	2,768	2,776
13	Other equity (Refer Note 6)	187,695	167,818	167,818	187,695	167,818
14	Earnings / (loss) per equity share (of ₹ 1/- each) (Refer Note 4)					
	(a) Basic (in ₹)	4.71	3.76	3.87	16.74	15.30
	(b) Diluted (in ₹)	4.71	3.76	3.87	16.74	15.28
	See accompanying notes to the consolidated financial results					



Note: This report is for information purposes. Green Initiative is an effort of the Government of India which aims at reducing paper consumption thereby contributing to a greener environment. In harmony with that we are circulating this over email to shareholders who have updated their e-mail addresses with the Depository Participant.

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